

Environmental Protection Agency

§ 96.157

(ii) Any CAIR NO_x allowances that were allocated to any entity and transferred and recorded in the compliance account pursuant to subpart GG of this part, in the order of recordation.

(d) *Deductions for excess emissions.* (1) After making the deductions for compliance under paragraph (b) of this section for a control period in a calendar year in which the CAIR NO_x source has excess emissions, the Administrator will deduct from the source's compliance account an amount of CAIR NO_x allowances, allocated for the control period in the immediately following calendar year, equal to 3 times the number of tons of the source's excess emissions.

(2) Any allowance deduction required under paragraph (d)(1) of this section shall not affect the liability of the owners and operators of the CAIR NO_x source or the CAIR NO_x units at the source for any fine, penalty, or assessment, or their obligation to comply with any other remedy, for the same violations, as ordered under the Clean Air Act or applicable State law.

(e) *Recordation of deductions.* The Administrator will record in the appropriate compliance account all deductions from such an account under paragraphs (b) and (d) of this section and subpart II.

(f) *Administrator's action on submissions.* (1) The Administrator may review and conduct independent audits concerning any submission under the CAIR NO_x Annual Trading Program and make appropriate adjustments of the information in the submissions.

(2) The Administrator may deduct CAIR NO_x allowances from or transfer CAIR NO_x allowances to a source's compliance account based on the information in the submissions, as adjusted under paragraph (f)(1) of this section, and record such deductions and transfers.

[70 FR 25339, May 12, 2005, as amended at 71 FR 25384, Apr. 28, 2006]

§ 96.155 Banking.

(a) CAIR NO_x allowances may be banked for future use or transfer in a compliance account or a general account in accordance with paragraph (b) of this section.

(b) Any CAIR NO_x allowance that is held in a compliance account or a general account will remain in such account unless and until the CAIR NO_x allowance is deducted or transferred under § 96.154, § 96.156, or subpart GG or II of this part.

[70 FR 25339, May 12, 2005, as amended at 71 FR 25384, Apr. 28, 2006]

§ 96.156 Account error.

The Administrator may, at his or her sole discretion and on his or her own motion, correct any error in any CAIR NO_x Allowance Tracking System account. Within 10 business days of making such correction, the Administrator will notify the CAIR authorized account representative for the account.

§ 96.157 Closing of general accounts.

(a) The CAIR authorized account representative of a general account may submit to the Administrator a request to close the account, which shall include a correctly submitted allowance transfer under §§ 96.160 and 96.161 for any CAIR NO_x allowances in the account to one or more other CAIR NO_x Allowance Tracking System accounts.

(b) If a general account has no allowance transfers in or out of the account for a 12-month period or longer and does not contain any CAIR NO_x allowances, the Administrator may notify the CAIR authorized account representative for the account that the account will be closed following 20 business days after the notice is sent. The account will be closed after the 20-day period unless, before the end of the 20-day period, the Administrator receives a correctly submitted transfer of CAIR NO_x allowances into the account under §§ 96.160 and 96.161 or a statement submitted by the CAIR authorized account representative demonstrating to the satisfaction of the Administrator good cause as to why the account should not be closed.

[70 FR 25339, May 12, 2005, as amended at 71 FR 25384, Apr. 28, 2006]

Subpart GG—CAIR NO_x Allowance Transfers

SOURCE: 70 FR 25339, May 12, 2005, unless otherwise noted.

§ 96.160 Submission of CAIR NO_x allowance transfers.

A CAIR authorized account representative seeking recordation of a CAIR NO_x allowance transfer shall submit the transfer to the Administrator. To be considered correctly submitted, the CAIR NO_x allowance transfer shall include the following elements, in a format specified by the Administrator:

- (a) The account numbers for both the transferor and transferee accounts;
- (b) The serial number of each CAIR NO_x allowance that is in the transferor account and is to be transferred; and
- (c) The name and signature of the CAIR authorized account representative of the transferor account and the date signed.

§ 96.161 EPA recordation.

(a) Within 5 business days (except as provided in paragraph (b) of this section) of receiving a CAIR NO_x allowance transfer, the Administrator will record a CAIR NO_x allowance transfer by moving each CAIR NO_x allowance from the transferor account to the transferee account as specified by the request, provided that:

- (1) The transfer is correctly submitted under § 96.160; and
 - (2) The transferor account includes each CAIR NO_x allowance identified by serial number in the transfer.
- (b) A CAIR NO_x allowance transfer that is submitted for recordation after the allowance transfer deadline for a control period and that includes any CAIR NO_x allowances allocated for any control period before such allowance transfer deadline will not be recorded until after the Administrator completes the deductions under § 96.154 for the control period immediately before such allowance transfer deadline.
- (c) Where a CAIR NO_x allowance transfer submitted for recordation fails to meet the requirements of paragraph (a) of this section, the Administrator will not record such transfer.

§ 96.162 Notification.

(a) *Notification of recordation.* Within 5 business days of recordation of a CAIR NO_x allowance transfer under § 96.161, the Administrator will notify the CAIR authorized account rep-

resentatives of both the transferor and transferee accounts.

(b) *Notification of non-recordation.* Within 10 business days of receipt of a CAIR NO_x allowance transfer that fails to meet the requirements of § 96.161(a), the Administrator will notify the CAIR authorized account representatives of both accounts subject to the transfer of:

- (1) A decision not to record the transfer, and
 - (2) The reasons for such non-recordation.
- (c) Nothing in this section shall preclude the submission of a CAIR NO_x allowance transfer for recordation following notification of non-recordation.

Subpart HH—Monitoring and Reporting

SOURCE: 70 FR 25339, May 12, 2005, unless otherwise noted.

§ 96.170 General requirements.

The owners and operators, and to the extent applicable, the CAIR designated representative, of a CAIR NO_x unit, shall comply with the monitoring, recordkeeping, and reporting requirements as provided in this subpart and in subpart H of part 75 of this chapter. For purposes of complying with such requirements, the definitions in § 96.102 and in § 72.2 of this chapter shall apply, and the terms “affected unit,” “designated representative,” and “continuous emission monitoring system” (or “CEMS”) in part 75 of this chapter shall be deemed to refer to the terms “CAIR NO_x unit,” “CAIR designated representative,” and “continuous emission monitoring system” (or “CEMS”) respectively, as defined in § 96.102. The owner or operator of a unit that is not a CAIR NO_x unit but that is monitored under § 75.72(b)(2)(ii) of this chapter shall comply with the same monitoring, recordkeeping, and reporting requirements as a CAIR NO_x unit.

(a) *Requirements for installation, certification, and data accounting.* The owner or operator of each CAIR NO_x unit shall:

- (1) Install all monitoring systems required under this subpart for monitoring NO_x mass emissions and individual unit heat input (including all